

**CALIFORNIA DEBT AND  
INVESTMENT ADVISORY COMMISSION**

*Presents*

**THE FUNDAMENTALS  
OF  
DEBT FINANCING**

**Hilton Concord  
Concord, California  
September 20-21, 2007**

**California Debt and Investment Advisory Commission  
915 Capitol Mall, Room 400  
Sacramento, CA 95814**

**FIRST CLASS**

**The Fundamentals of Debt Financing**

## ABOUT THE PROGRAM

The Fundamentals of Debt Financing is a seminar designed for public finance officials and their staff, elected officials, and other non-profit organizations who need to understand public debt issuance and debt management. This one and a half-day seminar covers the issuer's roles and responsibilities and the responsibilities of other financing team members when issuing bonds. The program also provides important information on the terms and concepts fundamental to an understanding of the planning and sale of public debt. In addition, an overview of initial and continuing disclosure requirements and an understanding of how credit ratings and investor needs are incorporated into an issuer's bond structuring decisions are covered. An introductory session on bond math is included to provide the attendee basic math concepts utilized in the debt issuance process. The seminar is moderated by the California Debt and Investment Advisory Commission (CDIAC) staff and conducted by expert practitioners who are currently involved in public finance in California.

## WHO SHOULD ATTEND

This seminar is intended for public agency officials and their staff interested and/or involved in the issuance of public debt. Representatives of cities, counties, special districts, school districts, redevelopment agencies, and elected officials are especially encouraged to attend.

## THE COMMISSION

CDIAC provides information, education, and technical assistance on public debt and investments to local public agencies and other public finance professionals. To carry out its responsibilities, CDIAC maintains a database of all public debt issued in California, administers a continuing education program, publishes a monthly newsletter with debt issuance data and informative articles, and conducts research to develop reports, guidelines, and issue briefs on topical issues.

## GENERAL INFORMATION

Registration is limited to public agency officials and their staff. No walk-in registrations will be accepted. Full refunds will be made to registered participants if CDIAC cancels or postpones the program. Substitution of officials or staff from the same entity is permitted. No refunds will be honored for cancelled registrations after the seminar registration deadline of August 23, 2007. Late registration will be accepted if space is available.

## LODGING

Hotel reservations should be made directly with the Hilton Concord located at 1970 Diamond Blvd., Concord. Call (925) 827-2000 early for reservations. A special room rate of \$84 is available to seminar participants. When making reservations, please request the group rate for the **California Debt and Investment Advisory Commission**. Once CDIAC's room block is filled, the hotel will not honor the contracted rate. The deadline for the special hotel reservation rate is August 23, 2007.

CDIAC complies with the Americans with Disabilities Act (ADA).

CDIAC is an Minimum Continuing Legal Education (MCLE) approved provider. CDIAC's educational programs are also accepted by many certification entities as "certifiable."

## Fundamentals of Debt Financing September 20-21, 2007 SEMINAR REGISTRATION FORM

To register, go to [www.treasurer.ca.gov/cdiac](http://www.treasurer.ca.gov/cdiac) or complete this form and return it to the California Debt and Investment Advisory Commission. One form is required for each participant. **Payment of registration fee must be enclosed.** No refunds will be honored after the seminar registration deadline of **August 23, 2007**. Late registrations will be accepted if space is available. *You will receive a confirmation notice once a registration form and payment are received by CDIAC.*

Name \_\_\_\_\_

Title \_\_\_\_\_

Agency \_\_\_\_\_

Street \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Telephone \_\_\_\_\_ FAX \_\_\_\_\_

Email: \_\_\_\_\_

☐ Check here if you require vegetarian meals.

**My interests are in :** ☐ Public Debt Issuance

(*please check one*) ☐ Public Investments

☐ Debt and Investments

☐ **Registering for just The Fundamental of Debt Financing: \$175.00**

☐ **Please also include the updated California Debt Issuance Primer\* for an additional \$25.00**

**Visit our website at**

**[www.treasurer.ca.gov/cdiac](http://www.treasurer.ca.gov/cdiac)**

**to register on-line and pay with VISA or MasterCard.**

Enclosed is my check for a total of \$ \_\_\_\_\_

Make check(s) payable to:

**California Debt and Investment Advisory Commission**

Mail your registration with payment to:

Seminar Programs

California Debt and Investment Advisory Commission

915 Capitol Mall, Room 400

Sacramento, CA 95814

Phone: (916) 653-3269

\* The California Debt Issuance Primer is a comprehensive reference document on public debt issuance in California. While not required for the seminar, the Primer provides seminar participants with an extensive overview of the debt financing alternatives available to California public agencies. It is published by the California Debt and Investment Advisory Commission and is offered for \$25 to cover the costs of printing and mailing. Please allow approximately 2 weeks from date of order for delivery.

# THE CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

*Presents*

## The Fundamentals of Debt Financing

Hilton Concord,  
Concord, California  
September 20-21, 2007

*AGENDA*

### Thursday, September 20, 2007

- 8:00 AM**    **Registration and distribution of seminar materials**  
Complimentary rolls and coffee
- 8:30 AM**    **Introduction and Welcome**  
  
*John Decker, Executive Director,  
California Debt and Investment Advisory Commission*
- 8:45 AM**    **Introduction to Bond Math**  
This session will cover bond math concepts essential to understanding the debt issuance process. It will define what a bond is and explain some basic concepts including principal, interest, yields, coupons, price, and the roles of investors and borrowers of bonds.  
  
*Robert Hillman, Senior Vice President, Lehman Brothers  
Peter Taylor, Managing Director, Lehman Brothers*
- 10:15 AM**    **Break**
- 10:30 AM**    **Municipal Bond Industry Professionals and Their Roles**  
This session will highlight the members of a typical financing team. These professionals will discuss functions and roles in the process of issuing public debt. Participants will gain an understanding of terms and concepts related to debt issuance, as well as receive practical advice on obtaining and utilizing professional services.  
  
*Mona Patel, Associate, Sidley Austin LLP  
William Reynolds, Managing Director,  
Gardner, Underwood & Bacon*

### Friday, September 21, 2007

- 8:00 AM**    **Complimentary Rolls and Coffee for All Participants**
- 8:30 AM**    **Understanding Credit - Enhancement and Ratings**  
This session will provide participants with information about the purpose and process of credit enhancement and its impact on credit ratings. Further, the session will provide an understanding of the credit rating process, how credit ratings and investor needs can influence debt-structuring decisions, and the credit factors that rating agencies and investment analysts look at in evaluating the structure of a bond issue.  
  
*Shari Sacks, Director, MBIA Insurance Corporation  
Dari Barzel, Senior Vice President, Moody's Investors Service*
- 9:30 AM**    **Initial and Continuing Disclosure**  
A bond counsel will discuss municipal disclosure requirements and explain the responsibilities placed on local government officials by the Securities and Exchange Commission. The speaker also will provide participants with an understanding of the initial and continuing disclosure processes and considerations that confront local government officials.  
  
*Rick Hiscocks, Partner, Orrick, Herrington and Sutcliffe LLP*
- 10:30 AM**    **Break**
- 10:45AM**    **Fundamentals of a Bond Sale**  
This session is a review of the critical terms and concepts that are fundamental to an understanding of the sale of a long-term debt issue. A financial advisor will offer an interactive presentation on debt issuance terms and concepts such as



*Eileen Gallagher, Director, Stone and Youngberg  
John Deleray, Vice President, Wells Fargo Bank*

**12:30PM Luncheon for all Participants and Speakers**

**1:30 PM How to Make Sense of the Debt Issuance Process and Your Role in the Process – An Issuer’s Perspective**

Two local issuers will discuss the issuer’s role and responsibilities in the debt financing process, including an overview of some critical considerations issuers should use when deciding to issue bonds.

*Jesus Nava, Finance Director/City Treasurer,  
City of Burlingame  
Richard Arrow, Auditor and Controller, County of Marin*

**2:30 PM Break**

**2:45 PM Types of Short- and Long-Term Financings**

This session will offer a discussion on several of the financing tools available to local issuers. An issuer, financial advisor, and an underwriter will discuss both short- and long-term financing options and the factors to consider when selecting one type over another. The financing options to be discussed include: tax and revenue anticipation notes (TRANS), commercial paper, general obligation (GO) bonds, revenue bonds, certificates of participation (COPs), and variable rate bonds.

*David Jones, Treasury Analyst, City of Oakland  
David Brodsly, Vice President,  
Kelling, Northcross & Nobriga  
Andy Nakahata, Vice President, Goldman Sachs & Co*

**4:00 PM BREAK**

**4:15 PM Types of Short- and Long-Term Financings (Continued)**

This session will continue the discussion on financing tools from the prior session.

**5:15 PM Reception for all participants and speakers.**

competitive vs. negotiated sale, true interest cost vs. net interest cost, underwriter’s discount and the cost of issuance, rated vs. non-rated issues, and prepricings and pricings.

*Gary Hall, Vice President, J.P. Morgan Securities Inc.*

**12:00 PM Evaluation and End of Seminar**

Directions To Hilton Concord Hotel  
1970 Diamond Blvd  
Concord, CA 94520

From Sacramento:

Starting on I-80 W take Exit 40 and merge onto I-680 S toward Benicia/San Jose. Take Exit 51 for Willow Pass Rd. toward Taylor Blvd. Turn left at Willow Pass Rd. Turn left at Diamond Blvd.

From San Francisco:

Start on I-580 E and exit onto CA-24 E toward Walnut Creek. Exit onto I-680 N toward Concord/Sacramento. Take Exit 51 for Willow Pass Rd. Turn right at Willow Pass Rd. Turn left at Diamond Blvd.

From San Jose:

Start on I-880 N toward Oakland. Exit onto Mission Blvd. toward I-680/Sacramento. Merge onto I-680 N via the ramp to Sacramento. Take Exit 51 for Willow Pass Rd. Turn right at Willow Pass Rd. Turn left at Diamond Blvd.